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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 15  
COMPANIA MEXICANA DE AVIACION, S.A. de :  
C.V., : Case No. 10-14182 (MG)  
Debtor in Foreign Proceeding. :  
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**PRELIMINARY OBJECTION OF GE CAPITAL AVIATION  
SERVICES TO THE REQUEST FOR RECOGNITION OF FOREIGN  
MAIN PROCEEDING AND CHAPTER 15 RELIEF**

TO THE HONORABLE MARTIN GLENN,  
UNITED STATES BANKRUPTCY JUDGE:

GE Capital Aviation Services Limited and certain of its affiliates, including  
Celestial Aviation Trading 43 Limited, Celestial Aviation Trading 68 Limited, and Celestial  
Aviation Trading 69 Limited, (collectively, “***GE Capital Aviation Services***”), on behalf of  
themselves and other lessors under the Leases (as defined below) (collectively, the “***GECAS  
Parties***”), hereby file this preliminary objection (the “***Objection***”) to the request (the “***Motion***”)  
of the Foreign Representative (as defined below) for, among other things, (i) recognition of the

Concurso Proceeding (as defined below) as a foreign main proceeding pursuant to section 1517 of the Bankruptcy Code, and (ii) the protections and benefits identified in section 1521 of the Bankruptcy Code. In support of the Objection, GE Capital Aviation Services respectfully state as follows:

**Preliminary Statement**

1. As described in more detail in the PI Objection (as defined below), the GECAS Parties are owners and/or servicers of twelve aircraft that are currently in the unlawful possession of Compania Mexicana de Aviation, S.A. de C.V. (“*Mexicana*”). The GECAS Parties have previously objected to Mexicana’s *Ex Parte Application for Order (A) Granting Provisional Relief and Injunction and (B) Scheduling Hearing* [Docket No. 5] (the “*Application*”). The GECAS Parties and the Foreign Representative resolved that objection by carving out the GECAS Parties from the injunctions set forth in the *Second Amended Order to Show Cause with Temporary Restraining Order*, entered by this Court on August 5, 2010 [Docket No. 23] (the “*Second Amended TRO*”) and the *Order Granting Preliminary Injunction*, entered by this Court on August 18, 2010 [Docket No. 1740] (the “*PI Order*”) (see Paragraph 14 of the PI Order) (collectively, the “*Carve-Out*”). The GECAS Parties have been advised by the Foreign Representative’s counsel that the Foreign Representative will include the same carve-out for the GECAS Parties in any proposed order granting the Motion (the “*Proposed Order*”). Because the GECAS Parties have not yet seen the Proposed Order, they submit this Objection to preserve their rights to object to the Motion in the event the Proposed Order does not contain the Carve-Out.

## **Background**

### **A. The Chapter 15 Filing**

2. On August 2, 2010 (the “**Petition Date**”), Maru E. Johansen, in her capacity as the alleged foreign representative (the “**Foreign Representative**”) of Mexicana, filed a petition for (i) recognition of the Foreign Representative as Mexicana’s “foreign representative,” as defined in section 101(24) of title 11 of the United States Code (the “**Bankruptcy Code**”), and (ii) recognition by this Court of Mexicana’s voluntary corporate reorganization proceedings under the laws of Mexico (the “**Concurso Proceedings**”) that are currently pending before the District Court for Civil Matters for The Federal District, Mexico. On the same day, the Foreign Representative also filed the Application.

3. On August 5, 2010, the Court entered the Second Amended TRO, granting Mexicana certain temporary injunctive relief.

4. On August 13, 2010, the GECAS Parties filed an objection to the Application [Docket No. 110] (the “**PI Objection**”). The GECAS Parties and the Foreign Representative resolved the PI Objection consensually by including Paragraph 14 in the PI Order.

5. Paragraph 14 of the PI Order, which was entered by the Court on August 18, 2010, provides the following Carve-Out with respect to the GECAS Parties and certain other aircraft lessors (all of whom are listed on Schedule A to the PI Order):

Nothing in this Order, the Court’s August 2, 2010 Order to Show Cause with Temporary Restraining Order, as amended, or in Bankruptcy Code section 362, including, without limitation, any injunctions set forth herein or therein shall enjoin, prevent or limit in any manner whatsoever the parties identified on Schedule A hereto or any other parties related thereto (as relates to the assets identified on Schedule A hereto) from exercising any of their rights or remedies with respect to the assets identified on Schedule A hereto.

**B. The Leases and Termination Thereof**

6. The PI Objection and the declarations attached thereto are incorporated herein by reference. As discussed in the declaration of Dairmuid Hyde, attached as Exhibit B to the PI Objection (the “*Hyde Declaration*”), the GECAS Parties are lessors, beneficial owners and/or lease servicers of twelve aircraft (the “*Aircraft*”) that are currently in the unlawful possession of Mexicana. The Aircraft were leased to Mexicana pursuant to certain leases (the “*Leases*”), which are described in more detail in the Hyde Declaration. The GECAS Parties and Mexicana are also parties to certain Transaction Agreements (as defined in the PI Objection), which are described in more detail in the Hyde Declaration.

7. On August 6, 2010, the GECAS Parties delivered to Mexicana in Mexico a Notice of Cancellation and Payment Demand (collectively, the “*Termination Notices*”) with respect to each Lease and Transaction Agreement. The Aircraft have not yet been returned to the GECAS Parties.

8. For further descriptions of the Leases, the related Transaction Agreements, and the circumstances surrounding the service of the Termination Notices, please see the PI Objection and the accompanying declarations.

**C. Termination of Operations**

9. On August 27, 2010, Mexicana announced that it has suspended all flight operations until further notice.

**Preliminary Objection and Reservation of Rights**

10. The GECAS Parties request that they be granted relief from any injunctions that may be granted in the Proposed Order so that the GECAS Parties may exercise all of their rights and remedies with respect to the Aircraft. It is the GECAS Parties’ understanding that the

Foreign Representative will include a carve-out for the GECAS Parties in the Proposed Order along the same lines as the Carve-Out in the PI Order. To the extent the Proposed Order does not contain such a carve-out, the GECAS Parties reserve the right to supplement this Objection and object to the relief requested in the Motion as it pertains to the GECAS Parties, including filing any necessary declarations in support thereof.

WHEREFORE the GECAS Parties request that the Court include language similar to the Carve-Out in any order granting the relief requested in the Motion and such other relief as is just and proper.

Dated: September 1, 2010  
New York, New York

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